

Franchise Tax Board**ANALYSIS OF ORIGINAL BILL**

Author: Runner Analyst: Deborah Barrett Bill Number: SB 522
Related Bills: See Legislative History Telephone: 845-4301 Introduced Date: February 26, 2009
Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: State Agencies Submit To Department Of Finance Annual Report On Status Of Liquidated & Delinquent Accounts/Delete Inoperative Date

SUMMARY

This bill would delete the inoperative and repeal dates of provisions that require an annual report on the status of delinquent and liquidated accounts to be prepared by specified state departments.

PURPOSE OF THE BILL

According to the author's office, the purpose of this bill is to improve the reporting and accounting of the state's accounts receivables.

EFFECTIVE/OPERATIVE DATE

This bill would be effective January 1, 2010, and would be operative for reports due on and after that date.

POSITION

Pending.

ANALYSIS**STATE LAW**

Under current state law, the Franchise Tax Board (FTB) is required to produce the following legislatively mandated reports on an annual basis:

- Annual Taxpayers' Bill of Rights Report
- Enterprise Zones
- Request for Innocent Spouse Relief Report
- Status of Liquidated and Delinquent Accounts Receivables
- Summary of Federal Income Tax Changes
- Assignment of California Tax Law Credits
- Employers Child Care Assistance Credit
- Qualified Dependent Care Credit Plan
- Ready Return Report

Board Position:

_____ S _____ NA _____ NP
_____ SA _____ O _____ NAR
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Department Director

Date

Selvi Stanislaus

04/10/09

The Status of Liquidated and Delinquent Accounts Receivables Report is an annual report due by October 31 of each year. This report identifies and describes the status of liquidated and delinquent accounts and efforts made by the agency to collect these accounts during the previous fiscal year. The report is required to be compiled using existing resources but only if there are sufficient resources for the department to comply with the report requirements. These provisions of California law will become inoperative on July 1, 2010, and repealed as of January 1, 2011, unless a later enacted statute deletes or extends those dates.

THIS BILL

This bill would delete the inoperative date and repeal date in current law of the requirement to report the status of liquidated and delinquent accounts receivables, thus making this reporting requirement permanent.

IMPLEMENTATION CONSIDERATIONS

Implementing this bill would not impact department operations or programs.

LEGISLATIVE HISTORY

SB 521 (Wyland, 2007/2008) would have transferred certain audit and evaluation functions of the Department of Finance (DOF) to the State Bureau of Audits and Evaluations (SBAE), including report certain state agency reports currently sent to DOF. SB 521 was held in the Senate Committee on Government Organization.

AB 2591 (Keene, Stats 2006, Ch. 506) enacted the requirements for a report on the status of liquidated and delinquent accounts receivables.

FISCAL IMPACT

Implementing this bill would not impact department costs.

ECONOMIC IMPACT

The provisions of this bill would not impact state income tax revenues.

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